

STATE PROPERTIES REVIEW BOARD

Minutes of Meeting Held On July 7, 2014 State Office Building, Hartford, Connecticut

The State Properties Review Board held its regularly scheduled meeting on July 7, 2014 in the State Office Building.

Members Present: Edwin S. Greenberg, Chairman
Bennett Millstein, Vice Chairman
Bruce Josephy, Secretary
Mark A. Norman
Pasquale A. Pepe
John P. Valengavich

Staff Present: Brian A. Dillon, Director

Chairman Greenberg called the meeting to order.

Mr. Josephy moved and Mr. Norman seconded a motion to enter into Open Session. The motion passed unanimously.

OPEN SESSION

ACCEPTANCE OF MINUTES OF JUNE 30, 2014 Mr. Norman moved and Mr. Valengavich seconded a motion to approve the minutes of June 30, 2014. The motion passed unanimously.

REAL ESTATE- UNFINISHED BUSINESS

REAL ESTATE- NEW BUSINESS

PRB # 14-173 **Transaction/Contract Type:** RE / Voucher
Origin/Client: DOT / DOT
Project Number: 070-3155-072
Grantor: Luke Camarota
Property: 303 Washington Avenue, North Haven, CT
Project Purpose: New Haven – Hartford – Springfield Rail Corridor Project
Item Purpose: Administrative settlement for the acquisition of a slope easement totaling 1,401 ±SF, as well as additional compensation for the contributory value of site improvements all for highway purposes.

Staff reported that the subject property is at 303 Washington Avenue (Route 5) in North Haven, and consists of 2 acres of light industrial zoned land presently improved with a single family residence. As part of the project, DOT will acquire a 1,401 SF easement to slope for drainage of the railway. Natural vegetation will be impacted by the project. The easement area extends approximately 250 feet along the rear property line. An Estimate of Compensation was prepared by DOT Appraiser Mark J. Mickiewicz and established a valuation of approximately \$3,300 for the taking.

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The Grantor rejected \$3,300 in compensation, and his representative, Attorney Gene Torrenti countered with a request for \$8,000 to \$10,000. The Grantor asked for additional compensation above the \$500 estimated for the loss of 15-20 mature trees that screen the property from the railway. Additionally, the Grantor was concerned that the slope easement would cause water to drain from the railway onto his property.

The parties ultimately agreed to \$6,000 in damages based on (1) increased damages for lost vegetation and (2) the possibility that the slope easement could affect the value of the taking area by more than the estimated 20%. Board approval of the Administrative Settlement in the amount of \$6,000 was recommended.

PRB # 14-174 **Transaction/Contract Type:** RE / Lease-Out
Origin/Client: DOT / DOT
Project Number: 7001-MISC-1363
Grantee: O & G Industries, Inc.
Property: Rail line adjacent to 120 North Main Street, Middletown
Project Purpose: Lease of vacant land, DOT Agreement No. 3.26-03(13)
Item Purpose: Five-year lease with two-five year renewal options for 10,500 ± SF of vacant land for the storage of home construction materials as well as access to a team track loading dock located on abutting property for the loading and unloading of materials.

Staff reported that the Board previously reviewed this file in September 2013 but returned the file at the request of DOT to rectify some language errors identified by the Board in the agreement. The error noted by the Board has been corrected, and the DOT has requested that the Board approve the referenced Lease-out Agreement whose terms and conditions are summarized below.

Leased Premises	0.24 acre (10,500 SF) parcel located within the railroad right-of-way on the southwestern side of the Middletown Secondary Line, adjacent to land of the Lessee at 120 North Main Street, Middletown. The rail line is operated by the Providence & Worcester Railroad
Lessee	O & G Industries, Inc.
Use	Exclusive use of a paved, fenced-in area for the storage of home construction materials and equipment. This lease also allows the Lessee non-exclusive access to a team track's loading dock (see note below) located on an abutting parcel of State-owned land to promptly load and off-load materials and equipment
Commencement Date -	Upon approval of the Attorney General
Rent	Years 1-5: \$2,520/year (\$210/month); Thereafter, adjusted at the beginning of any renewal period by an amount = to the increase in CPI over the 5 year period
Rent Credit	Page 2, item (2) establishes the rental rate; and the last sentence of the paragraph states, "The Second Party shall be required to submit proof of offsetting expenses directly or indirectly related to the improvement of the premises to reduce its rental fee liability to the State."
Term	5 years, with 2 automatic successive 5-year renewals
State's & Lessee's Termination	At any time without penalty with 90 days prior notice
Insurance	Commercial General Liability: \$1 mill/\$2 mill; Automobile Liability: \$1 mill/\$2 mill; state may change insurance requirements with 30 days notice

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Assignment	Prohibited
Other	The Lessee shall maintain the existing six-foot high chain link fence along the entire northeastern boundary with the active railroad. The Less shall not allow the access road from North Main Street to the northwestern boundary of the Premises to become blocked in any way. The DOT Standard Railroad Lease Specifications & Covenants with respect to the rails of the Providence and Worcester Railroad Company, December 6, 2012 are included in the lease agreement

A rental justification memorandum was prepared by Julie L. Thomas of DOT. The rental parcel is 10,500± SF and abuts the Lessee’s 1.65 acre site with retail lumber and home improvement business at 120 North Main Street, Middletown, called the Stone Depot. The DOT Office of Rails completed an in-house appraisal that determined a site value of \$3.00/SF. This was based on a review of comparable industrial/commercial land sales in Middletown and Cromwell, available through “Conn-Comp” online reporting service. SPRB Staff research confirms the rate of \$3.00/SF as reasonable for comparable properties. As such, SPRB Staff recommended approval of this lease-out.

ARCHITECT-ENGINEER - UNFINISHED BUSINESS

ARCHITECT-ENGINEER – NEW BUSINESS

PRB# 14-172 **Transaction/Contract Type:** “On-Call”
Origin/Client: DCS /DCS **Contract:** OC-DCS-CA-0017
Consultant: Hill International, Inc.
Project Purpose: New On-Call Series
Item Purpose: New On-Call contract series for Construction Administration firms to provide the State of Connecticut consulting services for a wide array of state new construction and renovation projects. The maximum cumulative fee under this series is \$500,000 with a common expiration date of September 20, 2016.

Staff reported that this is the 5th series of On-Call Construction Administration Contracts awarded by the Department of Construction Services (“DCS”) and its predecessor agency since 1994. It is the intention of DCS to award a total of six on-call contracts under this series.

A Request for Qualifications (RFQ) solicitation in January 2014 elicited 25 responses. Two of the 25 respondents were disqualified for being “non-responsive” and thereafter, 8 firms were identified as the most qualified and submitted to the Deputy Commissioner for a review and approval for short-listed interviews. The State Selection Panel consisted of 3 members and rated each firm based upon a weighted ranking system. At the completion of the interview and State Selection Panel process, DCS Management Team reviewed the results and recommended the approval of six firms under this series. The Board has previously approved five other firms under this series which will make Hill International, Inc. the sixth and final firm to be submitted under this solicitation.

Hill International, Inc. (“HII”) was originally established in 1976 and has a local office in East Hartford. The local branch is comprised of 100± employees including 6 professional engineers and over 30 construction inspectors. The company has not been awarded an On-call Contract but has been awarded

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one formal contract with the DCS in the past two years. HII scored a total of 291 out of a possible 300 points and was identified as one of the most qualified firms. SPRB Staff recommended approval of this contract.

OTHER BUSINESS

The Board took the following votes in Open Session:

PRB FILES #14-172 – Mr. Valengavich moved and Mr. Norman seconded a motion to approve PRB File #14-172. The motion passed unanimously.

PRB FILE #14-173 – Mr. Pepe moved and Mr. Millstein seconded a motion to approve PRB File #14-173. The motion passed unanimously.

PRB FILE #14-174 – Mr. Norman moved and Mr. Valengavich seconded a motion to approve PRB File #14-174. The motion passed unanimously.

The meeting adjourned

APPROVED: _____ **Date:** _____
Bruce Josephy, Secretary